

NIFTY OUTLOOK


- Nifty consolidated in a range but managed to inch higher for the fourth successive week, thanks to upbeat start. It finally settled at 10768.05; up by 1.51%. In line with the benchmark, mixed trend was witnessed on the sectoral front wherein metal, banks and IT performed well.
- Technically, we may see a breakout from the prevailing range i.e. 10,670-10,850 next week. On the higher side, 10,950 would continue to act as strong hurdle while in case of any decline 10,500 will act as cushion.
- We expect volatility would remain high on the stock-specific front thus traders should maintain their focus on stock selection and trade management.

SECTOR WATCH

SECTOR	CMP	% CHANGE	TREND	STOCKS TO WATCH OUT FOR
AUTO	7041.10	1.00%	Sideways to Bullish	AMARAJABAT, BAJAJ-AUTO
NIFTY BANK	22398.45	2.50%	Sideways to Bullish	SBIN, KOTAK BANK
FIN SERVICE	11091.20	2.03%	Bullish	BAJFINANCE, IBULHSGFIN
FMCG	30821.15	0.96%	Sideways to Bullish	BRITANNIA, HINDUNILVR, COLPAL
IT	15565.20	1.83%	Sideways to Bullish	HEXAWARE, MINDTREE, INFY
MEDIA	1367.85	-0.19%	Sideways to Bullish	TV18BRDCST
METAL	2078.20	3.47%	Bullish	HINDALCO, JINDALSTEL
PHARMA	10072.25	1.09%	Bullish	AUROPHARMA, BIOCON
ENERGY	14698.50	-0.49%	Sideways to Bullish	RELIANCE
REALTY	206.10	1.48%	Sideways to Bullish	GODREJPROP

DERIVATIVES OUTLOOK

- Nifty futures volume weighted average price (VWAP) is at 10640 and Bank Nifty futures is at 21830.
- Maximum Nifty weekly option positions are at 10800 CE and 10000 PE. Nifty is expected to be in the range of 10500-11000.
- METALS and FINANCE stocks gained the most during the week whereas TELECOM and OIL & GAS stocks losses the most during the week.
- FIIs were net buyer of around Rs 396 Cr in cash segment and DIIs were seller of around Rs 2177 Cr in cash segment during the week (Monday- to -Thursday).
- VIX is likely to hover around 23-28% range for the next week.

Derivatives Idea -BHARATFORG FUT added 9% in open interest addition as short buildup was seen in it in previous session. Current chart pattern also indicates further down move in its price. We suggest buying BHARATFORG 350 PE as per below levels .

Strategy:- BUY BHARATFORG 350 PE BETWEEN 9-10, STOPLOSS AT 5, TARGET 20.

LONG BUILDUP (Weekly change)

SYMBOL	PRICE	% CHANGE IN PRICE	OPEN INTEREST	% CHANGE IN OI
HINDALCO	164.65	12.60	40351200	18.20
BAJFINANCE	3292.40	12.50	7091000	15.90
NATIONALUM	36.50	12.30	35649000	0.90

SHORT BUILDUP (Weekly change)

SYMBOL	PRICE	% CHANGE IN PRICE	OPEN INTEREST	% CHANGE IN OI
MGL	972.10	-9.40	1294800	92.20
IGL	409.60	-8.70	9708875	36.70
INFRATEL	209.15	-7.60	12846400	27.60

Weekly News

- **TCS** reported its Q1FY21 numbers wherein its \$ revenue declined by 7.1% QoQ to \$506 cr, and INR revenue at Rs 38,322cr, down by 4% QoQ. Its profit declined by 13% QoQ to Rs. 7,049 cr. The company won new deals worth USD 6.9bn during the quarter.
- **Tata Steel India** announced a 26.3% YoY drop in sales volumes to 2.92 mn tonnes and drop in production was 33.5% YoY to 2.99 mn tonnes in Q1FY21. Utilization levels have been ramped up to around 80% level by June end.
- **Karnataka Bank** posted its Q1FY21 numbers, wherein its NII was up 8.2% YoY at Rs 535cr, its net profit jumped 12% YoY to Rs 196 cr. Further, gross NPA and net NPA came in at 4.64% and 3.01%, respectively.
- **Ultratech Cement** announced that its subsidiary Krishna Holdings will sell its 92.5% holding in Shandong Binani Rongan cement co. for enterprise value of approximately USD 120 mn.
- **BHEL** announced that it has successfully commissioned a 1.7 MW solar photovoltaic plant in Madhya Pradesh which will directly feed power to traction systems of Indian Railways.
- **Steel Strips Wheels** announced that the company has bagged exports orders for over 119,000 wheels for US Caravan Trailer market. The order is to be executed in the month of August from its Chennai plant.
- **Kalpataru Power Transmission** announced that it has signed definitive agreements to sell Alipurduar Transmission Ltd to **Adani Transmission** for a total Enterprise Value of Rs. 1,286 cr.
- **Karur Vysya Bank** has entered into a corporate agency partnership with Bajaj Allianz Life, to offer life insurance solutions to the Bank's customers.
- **Cadila Healthcare** announced that it has received approval from Mexico's regulatory authority to study the Desidustat tablet for treating Covid-19 patients. This is first time the drug was allowed for the disease.
- **Canara Bank** board approves to raise equity share capital amounting to Rs 5000 cr by way of QIP/ rights issue/ESPS/private placement/ preferential allotment, etc. during FY21, subject to market conditions and necessary approvals.
- **Unichem Laboratories** has received ANDA approval for its Cyclobenzaprine Hydrochloride Tablets by USFDA to market a generic version of FLEXERIL (Cyclobenzaprine HCl) of Janssen Research and Development LLC.
- **Greaves Cotton's** wholly owned subsidiary, Ampere Vehicles Pvt Ltd, has signed definitive agreements to acquire E-3Wheeler company Bestway Agencies Pvt Ltd and would acquire 74% in first phase (before July 30, 2020) while remaining 26% in April 2021.

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Nature of Interest (if answer to F (a) above is Yes :

S. No.	Statement	Answer	
		Yes	No
		Tick appropriate	
	I/we or any of my/our relative has any financial interest in the subject company? [If answer is yes, nature of Interest is given below this table]		No
	I/we or any of my/our relatives, have actual/beneficial ownership of one per cent. or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance?		No
	I / we or any of my/our relative, has any other material conflict of interest at the time of publication of the research report or at the time of public appearance?		No
	I/we have received any compensation from the subject company in the past twelve months?		No
	I/we have managed or co-managed public offering of securities for the subject company in the past twelve months?		No
	I/we have received any compensation for brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation for products or services other than brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation or other benefits from the subject company or third party in connection with the research report?		No
	I/we have served as an officer, director or employee of the subject company?		No
	I/we have been engaged in market making activity for the subject company?		No

Name(s) with Signature(s) of RA(s).

[Please note that only in case of multiple RAs and if the answers differ inter-se between the RAs, then RA specific answer with respect to questions under F (a) to F(j) above , are given below]

SS..No.	Name(s) of RA.	Signatures of RA	Serial Question of question which the signing RA needs to make a separate declaration / answer	Yes	No.

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